

July 7, 2007

Commission's Secretary
Marlene H. Dortch
Office of the Secretary
Federal Communications Commission
445 12th Street, SW
Room TW-A325
Washington, DC 20554

Re: WC Docket No. 06-210
CCB/CPD 96-20

**EX-PARTE COMMENTS REGARDING RESPONDENTS AND
PETITIONERS REQUEST FOR SANCTIONS**

To Whom It May Concern:

I, Larry G Shipp Jr., on behalf of Combined Companies, Inc. (CCI) wish to submit for consideration certain facts, which I believe are relevant to the above captioned proceeding, and therefore should be useful to the Federal Communications Commission (FCC) in its determination of the events relating to the Internal Revenue Service (IRS) "incident" Respondents' are trying to "create" at the FCC.

I have reviewed both Petitioners' and Respondents' recent filings regarding the "IRS incident", including studying the basis of what both (Petitioner and Respondent) are alleging as activities that should lead to "sanctions". And, notwithstanding, CCI's opinion that these matters are of no relevance in resolving the "Declaratory Rulings" pending before the FCC, I am certain that Petitioners' absolutely did nothing to warrant this personally slanted barrage of allegations, many of which Respondents' know are not true, against Mr. Inga and his companies. In addition, and specifically in regard to the Tips efforts to have the IRS submit a request for resolution, we believe the FCC should not infer any wrongdoing from the Petitioners' actions in Tips obtaining the IRS's support. Tips clearly believes this action would overcome the impasse on the facts of Tips claims against Respondents', and further believed that the issues were issues that the FCC might be able to resolve.

SOME KNOWN FACTS FOR CONSIDERATION

I have personal knowledge of many of the events leading up to the IRS's submission of its referral to the FCC on March 14, 2007; and a subsequent letter submitted by the IRS Taxpayer Advocate Service on April 2, 2007. Accordingly, as I am personally aware of Tips actions in dealing with these agencies, I can state without any reservation that there was no wrongdoing committed by Tips. CCI knows of its own knowledge that at NO TIME did Tips do anything wrong; illegal; or, as AT&T (Respondent) would have the FCC believe, anything dishonest!

In regard to the Tips contact with the IRS, I myself participated in a conference call "hook up" with Tips on two occasions relating to this matter. On one occasion, I was on the phone with Mr. Inga, when he tried to reach a Roy Schwarmann, to speak with him regarding a letter that Mr. Schwarmann had written to a Mr. Jeffrey Tutnauer, AT&T, Inc., regarding

the March 14, 2007 (1st IRS letter) correspondence that the Mountainside IRS office had provided Tips. Mr. Inga was concerned that Mr. Schwarman was suggesting in his letter that somehow Mr. Inga's actions, which resulted in the March 14, 2007 letter to FCC, were not authorized by the IRS (leaving the clear impression that somehow Mr. Inga, therefore, had done something wrong). As this implication was inaccurate factually, Mr. Inga, left a message with Mr. Schwarmann, with me on the phone, asking that he return the call, as he was trying to understand what information, if any, Mr. Schwarmann could provide regarding the Mountainside IRS letter, and why Mr. Schwarmann believed the letter was not authorized, as Mr. Inga had clearly been led to believe by the Mountainside office that the letter was squarely within their ability to assist him.

It is my understanding that Mr. Schwarmann never returned his phone call.

On another occasion I was on the phone with Mr. Inga when he spoke to an IRS employee, a Mr. Cain, on April 2nd 2007 the day that Tips saw the Roy Schwarmann letter and Mr. Cain indicated that the reason for the confusion and/or concern about the Mountainside correspondence had only to do with the fact that the Mountainside NJ office was not the right office, and Mr. Inga should follow up with the Springfield NJ Taxpayer Advocate Service office in Springfield and this office, would and could assist Mr. Inga.

At no time was Mr. Inga who represented Tips, advised that what he was attempting to obtain was not an authorized action by the IRS. In fact just the opposite impression was drawn; that this was a "supported request", but Tips had been directed to the wrong office.

It is my understanding that Mr. Inga, representing Tips, followed up on Mr. Cain's advice and contacted his designated IR Taxpayer Advocate agent and the office manager who together authorized the April 2nd 2007 letter that was sent to the FCC on April 2nd 2007.

Again, nothing done by Mr. Inga following any fair review of the facts, would suggest anything sneaky, or fabricated or (as AT&T would suggest) dishonest!

THE BIG DIVERSION

CCI must acknowledge that this latest effort by AT&T to derail the wheels of justice is even a low water mark for AT&T. They have now resorted to creating a problem that does not exist.

Consider the following.

First, the "right and wrong" of the IRS's involvement in this issue is neither a matter for Tips, Petitioners, or the Respondent to decide. It's for the IRS itself to decide. Therefore, if the IRS does not wish to have their April 2nd 2007 referral considered by the FCC, then the IRS simply can notify the FCC of that, and withdraw its request(s). It's that simple!

Secondly, nothing should cause the FCC to deter from its duty to resolve the ONLY real questions before the FCC.

THE REAL ISSUES

CCI believes, as we have long maintained, that the FCC will not be duped into "biting" on this "straw dog", and we believe the FCC will do what its responsibility mandates it must

and should do, and that is this: RESOLVE the non-disputed factual issues, those matters of tariff interpretation before them in this matter.

Namely, “Does AT&T Tariff No. 2 (See AT&T Tariff No. 2, Section 2.1.8) as it was written when CCI initiated its transfer of traffic to PSE” prevent that transaction as it was submitted”. Additionally, did AT&T lawfully follow its tariffs when it applied shortfall on CCI’s end-users in a manner consistent with its obligations to CCI under its then in effect tariffs (see AT&T Tariff No. 2, Section 3.3.1.Q).

CONCLUSION

In both of these matters, Petitioner, as well as CCI and others, have submitted hundreds of pages of support in the form of “the record of what happened”, cites of tariffs, and other case law, that we believe CLEARLY and UNDENIABLY supports the position of Petitioner that the transfer as CCI submitted it was lawful, and AT&T had a duty to process it as submitted. And, AT&T inappropriately applied shortfall charges on CCI’s end-users in a manner NOT authorized by its tariffs, and therefore in violation of them. AT&T has responded – claiming its actions were lawful. Now it’s time for the FCC to resolve these matters and not get side tracked with trumped up allegations attacking petitioners.

CCI does not need to restate the many points it has previously submitted to the FCC – the record is extensive with such information. Nor, will we fall into the clever trap laid by the Respondent, and argue the right or wrong of the IRS’s involvement in this matter. As previously stated, Petitioner, Tips, and Mr Inga did nothing wrong, and CCI believes it is totally irrelevant to the FCC case 06-210 in any event, and therefore of no consequence one way or the other to the FCC’s determination of Petitioners’ Declaratory Ruling request.

Respondent has played this game well, and its very successful strategy of “Delay, Deny, Defend” – which has strung this matter out over 12 plus years, should be acknowledged as effective. But, it would be a gross miscarriage of the FCC’s duties to allow this strategy to continue!

We therefore implore the FCC to quickly and decisively issue an order and opinion regarding its interpretation on all the “open issues” requested within the petitioners Declaratory Ruling filing in September 2006 – not just the “traffic transfer issue”.

Respectfully submitted,

//Signed//
Larry G Shipp
For: Larry G Shipp and Combined Companies,

Inc.